

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Land Division
Honolulu, Hawaii 96813

November 10, 2011

Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

PSF No.: 11HD-069

HAWAII

Sale of Remnant (Railroad Right-of-Way) to Ronald Takahashi Tsunozumi & Carol Akemi Wada Tsunozumi and Joseph C. Bratton & Vivian U. Bratton, Waiakea, South Hilo, Hawaii, Tax Map Key: 3rd/ 2-2-023: portion of abandoned railroad right-of-way.

APPLICANT:

Ronald Takahashi Tsunozumi and Carol Akemi Wada Tsunozumi, husband and wife, Tenants by the Entirety.

Joseph C. Bratton and Vivian U. Bratton, husband and wife, Tenants by the Entirety.

LEGAL REFERENCE:

Section 171-52, Hawaii Revised Statutes, as amended.

LOCATION:

Portion of Government lands of Lot 4 situated at Waiakea, South Hilo, Hawaii, identified by Tax Map Key: (3) 2-2-023: portion of abandoned railroad right-of-way, as shown on the attached map labeled Exhibit A.

AREA:

.0790 acres or 3,440 square feet, more or less.

The railroad right-of-way would be split down the middle with the respective abutting landowners receiving an approximate 20 feet by 86 feet portion of the remnant, each consisting of 1,720 square feet.

ZONING:

State Land Use District: Urban
County of Hawaii CZO: RS-10

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution:
YES ____ NO x

CURRENT USE STATUS:

Vacant and unencumbered.

CONSIDERATION:

One-time lump sum payment of fair market value to be determined by independent or staff appraiser, subject to review and approval by the Chairperson.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

Not applicable.
Subject lands are to be conveyed to abutting landowner(s) and will become privately owned land at that point.

DCCA VERIFICATION:

Not applicable.
The Applicants, as landowners, are not required to register with DCCA.

APPLICANT REQUIREMENTS:

Applicants shall be required to:

- 1) Provide survey maps and descriptions according to State DAGS standards and at Applicants' own cost;
- 2) Pay for an appraisal to determine the one-time payment of fair market value for the remnant;
- 3) Consolidate the remnant with the Applicant's abutting property through the County subdivision process;

- 4) Pay for the pro-rated cost to subdivide the remnant so that portions may be sold to multiple abutting owners.

REMARKS:

Pursuant to section 171-52, HRS, a remnant is defined as "a parcel of land economically or physically unsuitable or undesirable for development or utilization as a separate unit by reason of location, size, shape, or other characteristics." The subject parcel has been determined to be a remnant by this definition for the following reasons:

The parcel is a remnant of an abandoned railroad right-of-way.

Initial applicants, Ronald Takahashi Tsunezumi and Carol Akemi Wada Tsunezumi are the owners of the parcel designated as TMK: (3) 2-2-023: 004, as staff has confirmed through the County of Hawaii, Real Property Tax Office records. Another parcel that abuts the subject is TMK: (3) 2-2-023: 016, belonging to Joseph C. Bratton and Vivian U. Bratton. An offer letter was sent to the Brattons to make inquiry of their interest to purchase a portion of the remnant. On May 31, 2011, the Brattons indicated that they were interested in purchasing a portion of the remnant and submitted their application. According to Section 171-52, HRS, if there is more than one abutting owner who is interested in purchasing the remnant, it shall be sold to the one submitting the highest sealed bid or if the remnant abuts more than one parcel, the Board may subdivide the remnant so that a portion may be sold to each abutting owner. Both parties are agreeable to splitting the remnant in half, down the middle, each retaining a portion of the railroad right-of-way, which abuts their respective private properties, consisting of an approximate 1,720 square foot area, with dimensions of 20 feet by 86 feet.

Ronald Takahashi Tsunezumi, Carol Akemi Wada Tsunezumi, Joseph C. Bratton, and Vivian U. Bratton have not had a lease, permit, easement or other disposition of State lands terminated within the last five years due to non-compliance with such terms and conditions.

At its meeting of November 21, 1980, Item F-3, the Board of Land and Natural Resources approved the direct sale of a remnant, an abandoned railroad right-of-way to a Mr. Harold M. Ito, et al.

A portion of the same railroad right-of-way was subdivided and sold to a Kenneth T. Okano, S. Yokoyama, Inc., and Dr. Takeo Yoshina. Plans to subdivide and sell the remaining sections had to be discontinued because some of the abutting property owners declined to purchase.

On September 9, 2011, various governmental agencies and interest groups were solicited for comments. To date the only respondent was the County of Hawaii, Planning Department, which had no objections to the request.

| AGENCIES | COMMENTS |
|---|---------------|
| County of Hawaii: | |
| Planning | No response |
| Public Works | No objections |
| | |
| State of Hawaii: | |
| DLNR-Historic Preservation | No response |
| DLNR-Na Ala Hele | No response |
| | |
| Other Agencies/ Interest Groups: | |
| Office of Hawaiian Affairs | No response |

RECOMMENDATION:

That the Board:

1. Find that the subject lands are economically or physically unsuitable or undesirable for development or utilization as a separate unit by reason of location, size, shape, or other characteristics and, therefore, by definition is a remnant pursuant to Chapter 171, HRS.
2. Authorize the subject requests to be applicable in the event of a change in the ownership of the abutting parcel described as Tax Map Key: (3) 2-2-023: 004 and 016, provided the succeeding owner has not had a lease, permit, easement or other disposition of State lands terminated within the last five (5) years due to non-compliance with such terms and conditions.
3. Authorize the subdivision and consolidation of the subject remnant by the Applicants.
4. Subject to the Applicants fulfilling all of the Applicant Requirements listed above, authorize the sale of the subject remnant to Ronald Takahashi Tsunazumi, Carol Akemi Wada Tsunazumi, Joseph C. Bratton, and Vivian U. Bratton, covering the subject area under the terms and conditions cited above, which are by this reference incorporated herein and further subject to the following:
 - A. The standard terms and conditions of the most current deed or grant

(remnant) form, as may be amended from time to time;

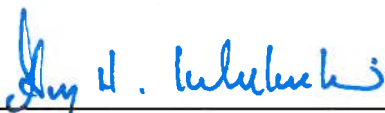
- B. Review and approval by the Department of the Attorney General; and
- C. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,



Wesley T. Matsunaga
Land Agent

APPROVED FOR SUBMITTAL:



William J. Aila, Jr., Chairperson

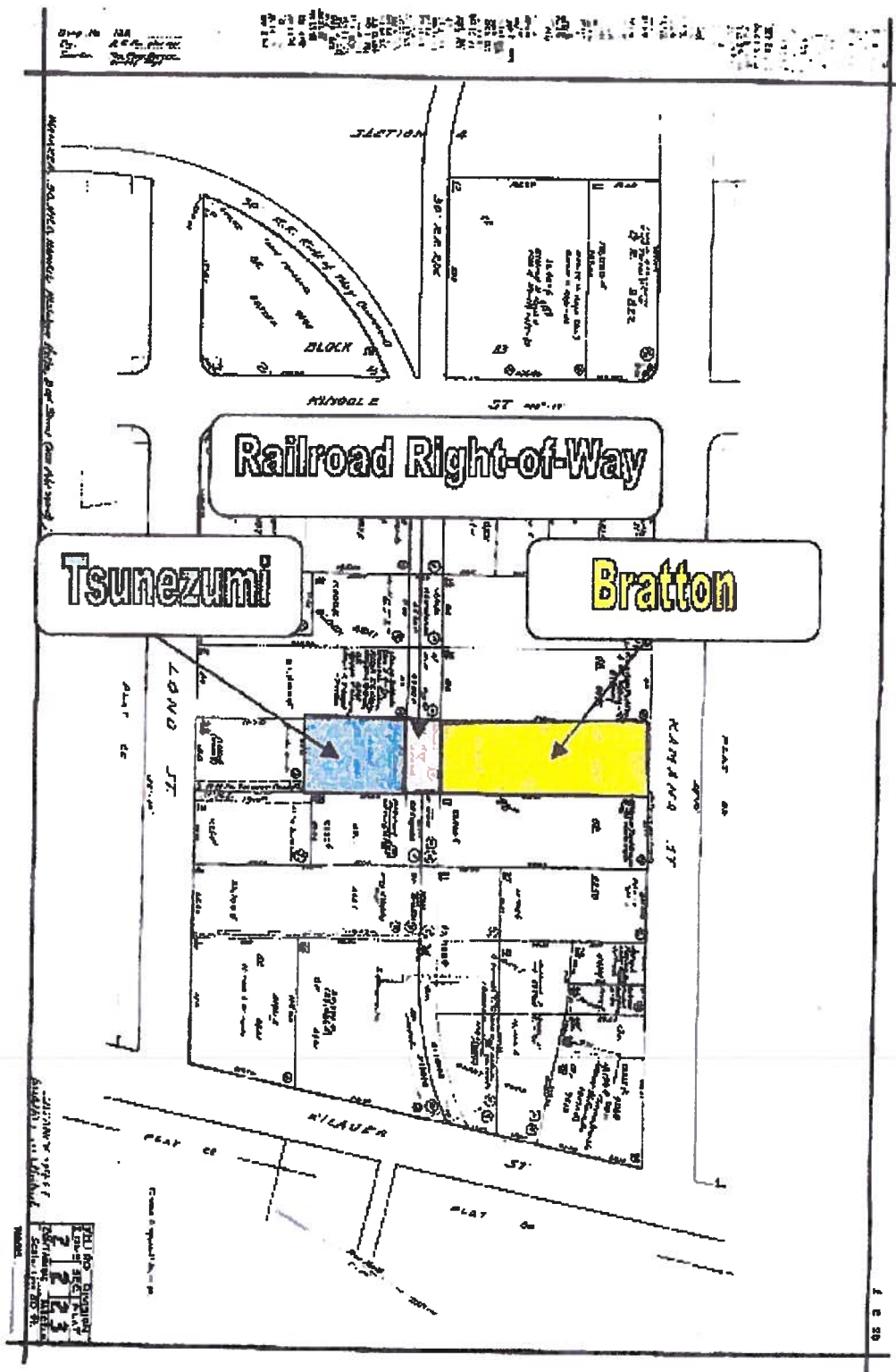


EXHIBIT A